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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

* * * * *

PAINTERS JOINT COMMITTEE, *et al.*,

CASE NO.: 10-cv-1385-JCM-PAL

Plaintiffs,

**STIPULATION FOR ENTRY OF
 CONFESSION OF JUDGMENT**

vs.

J.L. WALLCO, INC., DBA
 WALLTERNATIVES, *et al.*,

DATE: N/A

TIME: N/A

Defendants.

PAINTERS JOINT COMMITTEE, *et al.* (hereinafter "Plaintiffs" or "Trusts") by and through their attorneys, Christensen James & Martin, and the Defendants, RICHARD RAOUL NIETO, an individual ("Nieto") and SUNRISE PAINTING/RCH, INC. ("Sunrise"), (Nieto and Sunrise are collectively referred to as "Defendants") stipulate and agree as follows: This Stipulation for Entry of Confession of Judgment (hereinafter "Stipulation") is entered into by and between the above-named parties to settle and conclude certain legal claims relating to the payment of certain defined benefit plan contributions claimed to be due and owing by virtue of Defendants' interactions with Defendant J.L. Wallco, Inc. dba Wallalternatives ("Wallco").

1. The parties agree that conduct falling under the elements of alter ego is detrimental to the orderly administration of wages and benefits between contractors, employees, union members and benefit plans, and such conduct, past present or future, is likely to harm the Plaintiffs' ability to pay for benefits due and owing or that may become due and owing to plan participants.

1 2. Defendants hereby waive any applicable statutes of limitation to each of Plaintiffs'
2 claims in this Case.

3 3. The Confession of Judgment (hereinafter "Judgment") attached hereto as Exhibit
4 1 shall promptly be entered in favor of Plaintiffs and against Defendants.

5 4. Defendants, agree that evidence exists that meets all of the elements of the Causes
6 of Action asserted in Plaintiffs' Complaint. By way of illustration and not limitation, the
7 evidence supports the elements of a) common ownership, b) common management, c)
8 interrelations of operations, and d) centralized control of labor relations between Defendants,
9 Wallco, and Genuine Quality Coatings.

10 5. The Defendants understand how conduct relating to the a) common ownership, b)
11 common management, c) interrelations of operations, and d) centralized control of labor relations
12 between a union signatory employer and non union signatory employer creates *irreparable harm*
13 or the *likelihood of irreparable harm* for the Plaintiffs who are legally obligated to provide
14 benefits to *all* eligible plan participants even though contributions were not paid on behalf of
15 those participants. Thus, plan assets and plan viability are unnecessarily placed at risk.

16 6. Due to the evidence and the potential for harm, Nieto agrees to a fifteen (15) year
17 injunction wherein he shall not, directly or indirectly, own, affiliate with, associate with, be
18 involved with labor relations, or provide any services (including but not limited to, management,
19 consulting or estimating) to or for any painting or decorating contractor that is located or does
20 business in Clark County, Nevada. Upon any violation of this Stipulation or the Judgment, Nieto
21 further consents that the Plaintiffs may obtain from the Court an order to show cause why he
22 should not be held in contempt for the violation. **Initials:** W

23 7. Defendants shall jointly and severely owe and pay to Plaintiffs the sum of TEN
24 THOUSAND DOLLARS AND 00/100 (\$10,000.00) ("Judgment Amount") upon which interest
25 shall accrue at the rate of ten percent (10%) per annum.

26 8. Should Nieto violate the terms of this Stipulation or the Judgment, the Judgment
27 Amount shall increase to NINE HUNDRED SEVENTY NINE THOUSAND SEVEN
28

1 HUNDRED SIXTY FIVE DOLLARS AND 86/100 (\$979,765.86) (the amount determined by
2 an auditor to be due and owing), with interest accruing at the rate set forth in this Stipulation.
3 The Defendants waive any right to challenge the auditor's findings or Judgment Amount. Any
4 amount paid toward the Judgment Amount upon default shall be applied to the increased
5 Judgment Amount.

6 9. The Judgment Amount shall be discharged by payment to the Plaintiffs as
7 follows:

8 a. Twenty-four (24) consecutive monthly payments in the amount of FOUR
9 HUNDRED SIXTY ONE DOLLARS AND 45/100 (\$461.45) each. The first such
10 payment is due March 1, 2015 and each payment thereafter shall be due on the first (1st)
11 day of each calendar month.

12 b. Upon any violation of this Stipulation or the Court's Judgment, the
13 Judgment Amount shall become immediately due and owing and the Plaintiffs may
14 proceed with full collection activities to collect upon the Judgment.

15 c. Each of the payments shall be made payable to: "PAINTER'S JOINT
16 COMMITTEE." Unless otherwise notified in writing, Defendants shall remit the
17 payments to Plaintiffs' counsel, Christensen James & Martin, at 7440 W. Sahara Ave.,
18 Las Vegas, NV 89117. Should any payment be returned for insufficient funds, all
19 subsequent payments shall be made using a cashier's check or money order.

20 d. Timing is of the essence as to all payments. Failure to remit any payment
21 timely shall constitute a Default ("Default") for which a written Notice of Default
22 ("Notice") shall be delivered to Defendants' last known address. Upon mailing of the
23 Notice, Defendants shall have ten (10) days to cure the Default by remitting the required
24 payment(s).

25 10. This Stipulation and the Judgment shall be considered one instrument and shall
26 become binding when signed.
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11. This Stipulation and the Judgment constitute the entire agreement between the Plaintiffs and the Defendants and shall supersede any and all prior oral and/or written representations, negotiations, understandings and agreements.

12. The Defendants agree that they are giving up the right to any notice or opportunity to be heard prior to the entry of the Judgment in favor of the Plaintiffs and prior to garnishment that may occur at a future date.

13. Neither this Stipulation nor the Judgment shall be construed against any party as drafter.

14. Defendants, collectively and individually, understand that they have a RIGHT TO AN ATTORNEY but have chosen NOT to use an attorney. Initials: W

15. THE DEFENDANTS ADMIT THAT THEY HAVE BEEN TOLD THAT RETAINING AN ATTORNEY IS ADVISABLE AND WOULD BE PRUDENT. THEY HAVE DECLINED TO DO SO AND WAIVE ALL ARGUMENTS THAT THEY DID NOT HAVE AN OPPORTUNITY TO DO SO OR HAVE BEEN DISADVANTAGED BY THEIR CHOICE NOT TO DO SO. Initials: W

16. NIETO UNDERSTANDS THAT THE INJUNCTION WILL RESTRICT OR PREVENT CERTAIN CONDUCT. HE NEVERTHELESS AGREES THAT THE INJUNCTION IS APPROPRIATE. Initials: W

CHRISTENSEN JAMES & MARTIN

By: Evan L. James
Evan L. James, Esq.
Nevada Bar No. 07760
7440 W. Sahara Avenue
Las Vegas, Nevada 89117
Tel. (702) 255-1718
Fax. (702) 255-0871
Attorneys for Plaintiffs

Date: February 5TH, 2015.

RICHARD RAOUL NIETO

Date: February 5TH, 2015.

SUNRISE PAINTING/RCH, INC.

By: Richard Raoul Nieto
Richard Raoul Nieto, President

Date: February 5TH, 2015.

Address for Nieto & Sunrise:
6943 Cedar Basin Ave.
Las Vegas, Nevada 89142

EXHIBIT

1

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UNITED STATES DISTRICT COURT
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* * * * *

PAINTERS JOINT COMMITTEE, *et al.*,
Plaintiffs,
vs.
J.L. WALLCO, INC., DBA
WALLTERNATIVES, *et al.*,
Defendants.

CASE NO.: 10-cv-1385-JCM-PAL

CONFESSION OF JUDGMENT

DATE: N/A
TIME: N/A

Pursuant to the Stipulation for Entry of Confession of Judgment (“Stipulation”) between the PLAINTIFFS, RICHARD RAOUL NIETO (“Nieto”) and SUNRISE PAINTING/RCH, INC. (“Sunrise”) (Nieto and Sunrise are collectively referred to as “Defendants”), it is hereby ORDERED, ADJUDGED AND DECREED that:

1. The causes of action in the Plaintiffs’ Fourth Amended Complaint are supported by the evidence, which includes a) common ownership, b) common management, c) interrelations of operations, and d) centralized control of labor relations of Sunrise; J.L. Wallco, Inc. dba Wallternatives (“Wallco”); and Genuine Quality Coatings.

2. The intertwining of companies is detrimental to the orderly administration of wages and benefits between contractors, employees, union members and benefit plans and harms the Plaintiffs’ ability forecast liabilities and pay benefits due and owing or that may become due and owing to plan participants.

3. Nieto’s continued conduct in the painting and decorating industry represents a continued and ongoing threat to the orderly and effective administration and payment of wages

1 and benefits to and for other individuals who earn their livings by laboring and/or conducting
2 business in that industry.

3 4. Based upon the conduct and Nieto's consent, which was freely given, Nieto is
4 hereby ENJOINED for a period of fifteen (15) years from directly or indirectly, owning,
5 affiliating with, associating with, overseeing labor relations, or providing any services (including
6 but not limited to, management, consulting or estimating) to or for any painting or decorating
7 contractor located in or that does business in Clark County, Nevada.

8 5. Nieto and Sunrise shall pay to Plaintiffs the total sum of TEN THOUSAND
9 DOLLARS AND 00/100 (\$10,000.00) ("Judgment Amount") upon which interest shall accrue at
10 the rate of ten percent (10%) per annum.

11 6. Should Nieto violate the terms of the Stipulation, the Injunctions or other
12 provision of this Judgment, the Judgment Amount shall increase to NINE HUNDRED
13 SEVENTY NINE THOUSAND SEVEN HUNDRED SIXTY FIVE DOLLARS AND 86/100
14 (\$979,765.86) (the amount determined by an auditor), with interest accruing at the rate set forth
15 herein. The Defendants waive any right to challenge the auditor's findings or Judgment Amount,
16 whether or not increased. Any amount paid toward the Judgment Amount shall upon default be
17 applied to the increased Judgment Amount.

18 7. The Judgment Amount shall be discharged as follows:

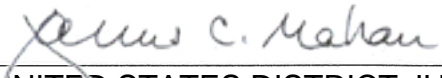
19 a. Twenty-four (24) consecutive monthly payments in the amount of FOUR
20 HUNDRED SIXTY ONE DOLLARS AND 45/100 (\$461.45) each. The first such
21 payment is due March 1, 2015 and each payment thereafter shall be due on the first (1st)
22 day of each calendar month.

23 b. Upon any violation of the Stipulation or this Judgment, the Judgment
24 Amount shall become immediately due and owing and the Plaintiffs may proceed with
25 full collection activities in addition to pursuing Court action through an order to show
26 cause proceeding.
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1 c. Payments shall be made payable to: "PAINTER'S JOINT
2 COMMITTEE." Unless notified in writing, Defendants shall remit the payments to
3 Plaintiffs' counsel, Christensen James & Martin, at 7440 W. Sahara Ave., Las Vegas, NV
4 89117. If any payment is returned for insufficient funds, all subsequent payments shall
5 be made by cashier's check or money order.

6 d. Timing is of the essence as to all payments. Failure to remit any payment
7 timely shall constitute a Default ("Default") for which a written Notice of Default
8 ("Notice") shall be delivered to Defendants' last known address. Upon mailing of the
9 Notice, Defendants shall have ten (10) days to cure the Default by remitting the required
10 payment(s).

11 Dated February 13, 2015.

12 
13 UNITED STATES DISTRICT JUDGE

14 Submitted by:

15 
16 CHRISTENSEN JAMES & MARTIN
17 Evan L. James, Esq.
18 Nevada Bar No. 07760
19 7440 W. Sahara Ave
20 Las Vegas, 89117
21 (702) 255-1718
22 Attorneys for Plaintiffs
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25
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AGREEMENT AND CONSENT NIETO

Richard Raoul Nieto hereby agrees and consents to the foregoing Judgment, acknowledges that he has had an opportunity to retain an attorney regarding the matter but has chosen not to do so, signed below and the associated Stipulation upon his own free will and choice, and asserts the Judgment should be entered by the Court as soon as possible.


Richard Raoul Nieto, Individually

Subscribed and Sworn before me
this 5 day of February, 2015.


Notary Public

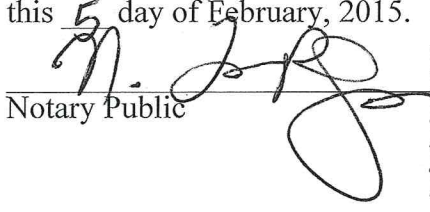


AGREEMENT AND CONSENT SUNRISE

Richard Raoul Nieto, on behalf of Sunrise Painting, hereby agrees and consents to the foregoing Judgment, acknowledges that he has had an opportunity to retain an attorney regarding the matter but has chosen not to do so, signed below and the associated Stipulation upon his own free will and choice, and asserts the Judgment should be entered by the Court as soon as possible.


Richard Raoul Nieto, President

Subscribed and Sworn before me
this 5 day of February, 2015.


Notary Public

